

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 96-483

June 30, 1998

REP. HOWARD CHICK ET AL V. NEW
ENGLAND TELEPHONE & TELEGRAPH COMPANY
d/b/a NYNEX Request for Waiver
of the Basic Service Calling Area
Rule for Lebanon, Berwick, South
Lebanon, and Rochester Exchanges

ORDER

WELCH, Chairman; and NUGENT, Commissioner

I. SUMMARY

In this Order, we decline to grant a waiver of Chapter 204 and close this docket.

II. BACKGROUND

On August 22, 1996, the Commission received a petition and request for waiver signed by Representative Howard Chick and 301 other persons against New England Telephone & Telegraph Company d/b/a NYNEX. NYNEX is now d/b/a Bell Atlantic Maine (the Company). The petition, filed pursuant to the Commission's Basic Service Calling Area rule (Chapter 204), is a request that the residents of Lebanon (457 exchange) be given flat rate calling to all portions of the South Lebanon (339) exchange and the Berwick (698) exchange. In addition, the petitioners request that Rochester, New Hampshire exchanges (330, 332, 335, and 337) be included in the local calling area for the Lebanon (457) exchange.¹

Lebanon subscribers presently can call more than 16,000 subscribers in the Lebanon, North Berwick, and Sanford exchanges as part of their Basic Service Calling Area (BSCA).

On August 27, 1996, the Commission notified Representative Chick that the waiver request was incomplete. Pursuant to Chapter 204 § VIII(B), customers seeking a waiver must first contact the telephone company and attempt to resolve their concerns. If the Company is unable to resolve the customers' concerns, the customers may then ask the Commission for a waiver. In a letter, dated October 20, 1995, the petitioners had requested that the Company join them in seeking to expand the local calling area for the Lebanon exchange. On April 29, 1998,

¹ Because Rochester is in New Hampshire, this is a request for *interstate* extended area service. The Federal Communications Commission, not the Maine Public Utilities Commission, regulates interstate telecommunications services.

pursuant to a request from the Commission's Administrative Director, the Company filed its response to the petitioners' letter.

III. CHAPTER 204

On May 19, 1994, the Commission adopted the Basic Service Calling Area rule (Chapter 204) in Docket No. 93-170, which became effective on June 25, 1994. Chapter 204 of the Commission's rules describes the manner in which calling areas are to be expanded uniformly throughout the state, using a community of interest approach based on the calling patterns of the entire exchange. Where residential calling patterns do not meet the threshold for expansion established by the BSCA rule, Chapter 204 provides a Circle Calling Option for toll calls to all exchanges within 30 miles of the home exchange.

IV. DISCUSSION

On April 29, 1998, Bell Atlantic filed its response to the petitioners' request for waiver of Chapter 204. In this response, the Company made four comments. First, the Company notes that the calling patterns of the Lebanon exchange do not meet the threshold established by the Commission's rule. Consistent with the rule, the Company has offered Lebanon exchange customers a Circle Calling option for reduced rate calling to neighboring exchanges within 30 miles of the home exchange.

Second, the Company notes that it has revised many of its instate long distance calling plans to reduce the rate or the buy-in time to make them more economically attractive to customers. As a result, lower cost calling plans are available to telephone subscribers in Lebanon.

Third, the Company noted that a similar complaint had been filed in May 1989 (Docket No. 89-152), which was dismissed in May 1996 because the requirements of Chapter 204 had not been met.

Finally, the Company noted that it had entered into a Stipulation, in Docket No. 94-123 (reopened), that results in significant reductions in the access rates billed to the carriers providing long distance services in Maine, which will result in additional reductions to the cost of long distance services for all toll users in Maine. For these reasons, the Company does not support the request for waiver of the requirements of Chapter 204.

The waiver provisions of Chapter 204 requires the lesser of at least 1,000 customer signatures or at least 30% of the exchange's subscribers in support of a waiver request (over 327 subscribers in this case). Thus, the petitioners did not meet Chapter 204's threshold for a waiver request by customers.

The calling patterns of the Lebanon exchange for the month of April 1998 are far below the threshold established by Chapter 204 (i.e., 50% of residential subscribers make at least four calls per month to a specific receiving exchange that is within 30 airline miles). Although Chapter 204 does not grant the petitioners the requested relief, we are reluctant to depart from the requirements of this rule. Chapter 204 is designed to expand calling areas where there is a claimed need and recorded calling volumes confirm that need. Because these tests have not been met, we will not grant a waiver of the requirements of Chapter 204 and instead will close the investigation and require that the Company inform its customers in Lebanon of its optional calling plans.

The Company has two optional toll calling plans, Pine Tree State Service² and CallAround Circle Calling Service,³ for which a "block of time" can be purchased; depending on the customer's calling patterns, these plans can be economical for some customers. Under the Circle Calling plan of Chapter 204, the petitioners may call, and be called from 29 exchanges, including each of the requested exchanges in Maine. In addition, the Company's "Selective Calling Service" is priced at a 50% discount off the standard toll rates to an exchange selected by the customer.⁴

Calls made from pay telephones to and from these exchanges will be priced at \$0.30 for each two minutes. Thus, pay phone

² Pine Tree service is designed to be a statewide, "off-peak" plan and therefore includes time-of-day pricing.

³ With this plan, the first hour of toll service to the exchanges in a 30-mile range is \$6.00 for the first hour and \$0.10 per minute after that.

⁴ Thus, for a flat monthly charge of \$1.30 per exchange, a customer can receive a 50% discount off standard toll rates for calls to that exchange. For example, if the toll rate is \$0.18 for the initial minute and \$0.14 per minute thereafter, then the discounted rate would be \$0.09 for the initial minute and \$0.07 per minute thereafter.

calls from school in the Berwick exchange to home are now priced at a more economical rate.⁵

We encourage the Petitioners to investigate optional Calling Rate plans to determine whether these services would be economically beneficial to the subscriber.

While we are not able to grant the petitioners request, and we regret that so much time has passed since this petition was filed, we note that we are working diligently to lower instate long-distance rates pursuant to 35-A M.R.S.A. § 7101-B. Lower instate long distance rates should help to ameliorate customer concerns about limited calling areas.

Therefore, we

O R D E R

That the Petitioners' request for a waiver of Chapter 204 is denied and this Docket shall be closed.

Dated at Augusta, Maine this 30th day of June, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Nugent

⁵ The Company raised this rate to \$0.35 for two minutes, effective June 1, 1998.